

Amendment No. 1 to SB1633

Yager
Signature of Sponsor

AMEND Senate Bill No. 1633

House Bill No. 1664*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 65-25-122(a), is amended by deleting the language "Nothing in this chapter contained shall be construed to exempt" and substituting instead the language "Nothing in this chapter shall exempt", and is further amended by deleting the language "; provided, that all facilities and plants constructed for such primary purpose shall be exempt from ad valorem property taxes for a period of four (4) years from and after the date of such construction".

SECTION 2. Tennessee Code Annotated, Title 65, Chapter 25, Part 1, is amended by adding the following language as a new section:

65-25-136.

(a) In lieu of paying or delivering to the state, as required by § 66-29-115, the tangible or intangible property specified in a cooperative's report of abandoned property, a cooperative shall maintain possession of the abandoned property throughout the period of notice and publication specified in § 66-29-114.

(b) After a period of eighteen (18) months following delivery of the cooperative's report of abandoned property, the cooperative may distribute, in its service area, the unclaimed abandoned property for:

- (1) Bona fide charitable purposes;
- (2) Economic development purposes;
- (3) Low-income energy assistance; or
- (4) Educational purposes.

Amendment No. 1 to SB1633

Yager
Signature of Sponsor

AMEND Senate Bill No. 1633

House Bill No. 1664*

(c) The right of an owner to abandoned property held by a cooperative shall be extinguished when the property is distributed in accordance with this section.

(d) For funds received under this part for the report year ending December 31, 2016, and thereafter, the treasurer shall determine each June 30 the amount of such funds remitted by or on behalf of each cooperative, as defined in § 65-25-102(4), which have remained unclaimed for a minimum of eighteen (18) months following the delivery of the cooperative's funds to the treasurer. If the aggregate unclaimed balance exceeds one hundred dollars (\$100), the treasurer, upon request of the cooperative, shall pay an amount equal to the aggregate unclaimed balance, less a proportionate share of the cost of administering the program as determined by the treasurer, to the cooperative, together with a report of the accounts represented by the funds. These funds shall be placed in the cooperative's general fund, except the cooperative shall maintain to the extent necessary a sufficient amount of the total unclaimed property accounts to ensure prompt payment.

SECTION 3. Tennessee Code Annotated, Section 66-29-123, is amended by adding the following language as a new subsection:

(e) Any person claiming an interest in any property for which funds have been delivered by the treasurer to a cooperative pursuant to § 66-29-121 may file a claim with the cooperative in receipt of the funds. If the claim is allowed, the cooperative shall make payment, without deduction for administrative cost or service charges. Any person aggrieved by a finding of the cooperative may appeal to the treasurer in accordance with

subsection (b). If the treasurer finds the claim to be valid, the cooperative shall issue payment. The cooperative shall submit an annual report of claims received on a form prescribed by the treasurer. This report shall be filed before September 1, reporting claims received as of the previous June 30.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to tax years beginning on or after January 1, 2016.